

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Irish Stephanie Rast</u> (Last) (First) (Middle) 9605 MEDICAL CENTER DRIVE, SUITE 300 (Street) ROCKVILLE MD 20850 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 01/09/2009	3. Issuer Name and Ticker or Trading Symbol <u>Vanda Pharmaceuticals Inc. [VNDA]</u> 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Sr. VP, CFO, Treasurer	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Restricted Common Stock	40,000 ⁽¹⁾	D	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
Employee Stock Option (Right to Buy)	(2)	02/01/2015	Common Stock	960	0.331	D
Employee Stock Option (Right to Buy)	(2)	12/29/2015	Common Stock	9,238	4.7329	D
Employee Stock Option (Right to Buy)	(2)	12/18/2016	Common Stock	10,000	25.5	D
Employee Stock Option (Right to Buy)	(3)	01/30/2017	Common Stock	11,000	30.65	D
Employee Stock Option (Right to Buy)	(3)	01/03/2018	Common Stock	17,405	5.76	D
Employee Stock Option (Right to Buy)	(2)	09/18/2018	Common Stock	17,405	1.02	D

Explanation of Responses:

1. These shares are represented by restricted stock units. 50% of such shares vest upon approval by the FDA of the NDA for iloperidone, Vanda Pharmaceuticals Inc.'s lead product candidate, and 50% of such shares vest on December 31, 2009. Upon a change of control of Vanda Pharmaceuticals Inc., 100% of the unvested restricted stock units will vest upon the consummation of the change in control.

2. Exercisable with respect to 25% of the shares one year after the grant, exercisable with respect to an additional 2.08333% of the aggregate shares each month thereafter.

3. The option vests each month with respect to 2.0833% of the aggregate option share total.

Remarks:

/s/ Stephanie R. Irish

01/20/2009

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.